

## BIG GERMAN CREDIT BACKED BY HARDING

### CUBAN SUGAR COMMISSION, WITH ITS NEW YORK AGENTS, GRIPS TRADE, RAISES PRICES

Gouge of Hundreds of Millions Already Begun—Done Under Cover of Presidential Decree Without Authority of Cuban Congress.

By R. R. Batson.

The American public faces an increase in its sugar bill which promises to exceed that proposed by the Fordney Tariff Bill before it was amended. And the Fordney tariff measure originally intended to tax the public approximately \$365,000,000 for the benefit of big sugar interests and profiteers who, because of their greed and bad business judgment, were threatened with the loss of the huge profits built up during the war.

The price of Cuban raw sugar during the last week has been advanced from 3½ to 4½ cents a pound. Refined sugar has been advanced from 6.85 cents to 7½ cents a pound. Further advances are in immediate prospect. Competent sugar experts predict that sugar soon will go to 12 cents a pound. This will impose a tax of not less than \$450,000,000 on the consuming public.

Behind these advances, actual and prospective, is a story of arbitrary Government and business methods that finds few parallels. It involves the strangulation of competition, with what approximates Government sanction and seemingly total disregard of public interest and opinion.

Shortly after the Sugar Equalization Board was disbanded by the Government, the price of sugar began to soar. From a price of 7.25 cents a pound it rose to around 26 cents a pound. It was then nearly everywhere thought that the price would continue to rise. Domestic wholesalers and refiners loaded up with huge stocks at high prices, and contracted for additional stocks for future delivery at from 20 to 22 cents a pound. Beet sugar and other American growers practically doubled their crop because they became convinced in the opinion that sugar would rise to 35 and perhaps 40 cents a pound. Large New York banks made huge loans to Cuban and other planters on the basis of prices then prevailing.

Meanwhile it was extremely difficult for consumers to obtain sugar in spite of the record breaking prices in force. But the expectations of big sugar interests, of bankers and refiners, were upset and the sugar bubble collapsed. The importation of foreign sugar, principally from Java and South America, broke the market and prices sank to approximately a pre-war level with tremendous losses to the interests who refused to part with their holdings at the high prices. But sugar interests and planters have taken a new grip on their courage and have started another drive against the pockets of consumers for the purpose of recouping their losses. The method of procedure as planned is this:

There has been organized in Cuba, under a Presidential decree, a "Sugar Financial Commission." This commission has seven members. A sub-commission has been formed in New York consisting of three members.

The Cuban committee is composed of R. B. Hawley, President of the Cuban-American Sugar Company; Manuel Rhonda, Chairman of the Board of Directors of the Cuban Cane Sugar Corporation; Jose Tarafa and Manuel Aspur, representing other producers; Porfirio Franca of the Havana Branch of the National City Bank of New York; Frank R. Healy of the Royal Bank of Canada and Gen. Eugenio S. Agramonte, Secretary of Agriculture of Cuba.

The New York committee is composed of H. E. Costello, representing the Cuban Cane Sugar Company; Frank Lowry of E. Atkins & Co., and George Logan of Lamont & Co.

These commissions have been given complete control of the Cuban sugar business. Not only have they been

### MAY USE INTEREST OF ALLIES' LOANS FOR SOLDIER BONUS

Bill Reported Out in Senate—Plan to Raise Money Being Considered.

WASHINGTON, Feb. 26.—With the tax provisions eliminated, the Soldiers' Bonus Bill was reported to the Senate to-day by the Finance Committee. The cash bonus would be payable Jan. 1, 1923.

Use of the interest on the \$10,000,000,000 American war loans to the Allies in financing adjusted compensation for former service men is one of the plans under consideration by Congress. This was disclosed to-day when the bonus bill was reported.

The question of taxes to meet the cost of the bill was left for the next Congress. The committee made little change in the House bill, detailing the five options of a cash bonus based on the length of service, deferred certificates, farm and home aid and vocational training.

Senator McCumber, Republican, North Dakota, in charge of the bill, plans to call it up in the Senate at the first opportunity, probably next week. Several Senators gave notice of their opposition.

One of the amendments, added by the committee provides that all claims must be filed by July 1, 1922, six months before any of the provisions go into effect.

Senator McCumber, Republican, North Dakota, who will have charge of the bill in the Senate, explained to the committee that by postponing the effective date of all provisions of the bill until Jan. 1, 1923, the accumulated interest on the foreign loans probably would be sufficient to bear the cost of the compensation.

Sensors Gerry, Rhode Island, and Jones of New Mexico, Democrats, were said to have been joined by Senator La Follette, Republican, Wisconsin, in an effort to make the bill effective next July 1, but their motion was defeated. The committee also rejected a motion by Senator Childers, Republican, New York, to postpone operation of the bill until July 1, 1923.

SENATE ACCEPTS CONSACKS.

LONDON, Feb. 26.—A despatch to the London Times from Teheran says the Shah has accepted the Persian Consack regime.

### GAS RATE RAISES LAID TO WHIMS OF STANDARD OIL CO.

Attorney General Attacks Contract Consolidated Co. Made Last December.

30 CENT BOOST ASKED.

Cost of Production Put at \$1.47 in Argument for Increase to \$1.50.

Argument was heard before Judge Learned Hand in the United States District Court to-day on the application of the Consolidated Gas Company to raise its rate to \$1.50 per thousand cubic feet, as supplementary to his recent decision that the old 80 cent rate was unconstitutional. The rate was then increased to \$1.30.

William L. Ransom for the company asserted that the present cost to the company of making gas is \$1.47 and said the increase was due to the cost of gas oil under the new contract made Dec. 15 last.

William Hayward for the Public Service Commission asserted that the 12½ cents a gallon contract for gas oil closed by the company with the Standard Oil Company of New Jersey set the price unduly high. He asserted that gas oil of excellent quality could be bought to-day in Oklahoma at 2 cents a gallon as against the 8 cents a gallon base price charged by the Standard Oil.

"But," he said, "the Standard Oil controls the pipe lines from the oil fields. Who else has pipe lines to bring oil to the seaboard at an expense of 4 cents a gallon?"

Mr. Hayward cited figures to show that 70 per cent. of a ton of coke is left after the gas has been extracted, and that at the present rate—\$12 a ton—coke was selling for more than it cost to buy the coal.

Corporation Counsel O'Brien said that there is a falling coal market everywhere, and that this condition was recognized by coal authorities. He said he failed to understand why the Consolidated Gas Company felt justified in paying 12½ cents a gallon for oil in the light of the big decrease in its cost.

Assistant Corporation Counsel Donnelly said that in March, 1920, oil was \$2.50 a barrel. To-day, he said, oil at \$1.75 a barrel, is lower than at any time since 1915.

John Holly Clark Jr., representing the Attorney General's office, in commenting upon the increase asked for by the gas company, said:

"There can be only two explanations for this remarkable procedure. Either the contract is not made in good faith but for the purposes of this case with the expectation that when the light of judicial scrutiny is turned away the price will be adjusted and the contract modified, as similar contracts were modified in 1914 and 1919, or the Standard Oil Company is in a position to maintain its price regardless of market conditions and that the complainant has so conducted itself by relying so exclusively on water gas manufacture that it is now forced to pay whatever the Standard sees fit to charge.

"The first alternative may or may not be true, but it seems that the second is true to such an extent that the regulation of the rates for gas in this city now depends not on the Legislature nor the Public Service Commission nor on the courts but on the whim of the Standard Oil Company."

Decision was reserved.

IMMIGRATION BILL PASSES.

Sent to President—Limits Number on Percentage Basis.

WASHINGTON, Feb. 26.—The bill limiting immigration to 3 per cent. of the aliens already resident here was finally passed by Congress to-day and now goes to the President.

The immigration ban goes into effect April 1 this year and continues until July 1, 1922. The measure is regarded as emergency legislation and will let in about 500,000 immigrants yearly.

### WOMAN KILLED, EIGHT HURT IN 3 SPECTACULAR FIRES; CHIEF KENLON NEAR DEATH

Six in Hospital Injured When Brooklyn Tenement House Is Destroyed.

BABIES AMONG VICTIMS.

Two Firemen Scalded in Nassau Street Blaze—Life Lost in Harlem.

Six persons are in hospitals as a result of a fire marked by spectacular rescues at No. 571 Union Street, Brooklyn, early to-day. The fire was one of five in widely separated sections of the city, which kept firemen busy during the morning. In Harlem an aged woman was killed by smoke, and at a blaze at No. 79 Nassau Street Chief Kenlon had a narrow escape from death when several pieces of heavy plate glass crashed to the street within a foot of him. Two firemen were scalded when boiling water burst from their hose.

The Union Street building is a three-story tenement, the first floor of which is occupied by Paul Imperillo, twenty-one; his wife and seventeen-months-old baby, Michael. The upper floors are occupied by Imperillo's mother, Mrs. Angelino Signora, her husband, Louis, and children, Salvatore and Christiana, nine; Michael, fifteen, and Mary, thirteen. Paul Imperillo was awakened by the crackle of flames shortly before 7 o'clock and fled for the yard with his wife and baby. Before they could escape the baby was badly burned on the face and hands and is in Brooklyn Hospital.

Salvatore, the nine-year-old boy, leaped from the third story in an attempt to land on a two-story extension roof at No. 570 Sackett Street. He missed the roof, and his skull was fractured by the fall. He is in Long Island College Hospital.

Signora, his wife and fifteen-year-old Michael then leaped for the extension roof. Signora suffered a fractured leg and his wife was badly burned on the hands and face. Both are in the Long Island College Hospital.

Jacob J. Ferber, chauffeur for Battalion Chief Gaw, ripped off a shutter from a nearby house and climbed on it to the roof of No. 570 Sackett Street, from which he extended a ladder to the third floor of the burning building. John J. O'Connor of No.

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### INDIAN WOMEN DEMAND VOTE IN TRIBAL AFFAIRS

Go on Warpath to Get It—State of Maine Strictly Neutral.

OLD TOWN, Me., Feb. 26. INDIAN women of the Penobscot Tribe to-day went on the warpath to obtain the right to vote in the tribal elections and share in the conduct of reservation affairs, asserting that a Grand Lady Sachem would make a wiser chief than any brave that ever wore a basket or built a canoe.

Last night the new women of an ancient people rejoiced when they received a ruling from Attorney General Shaw that they could go as far as the tribe allowed, for the State would remain neutral. He said in reply to a letter sent to the Governor that tribal affairs were entirely a matter for domestic adjustment.

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### COL. ROOSEVELT NAMED ASSISTANT NAVAL SECRETARY

President-elect Harding Announces Selection With That of Denby as Secretary.

IN HIS FATHER'S STEPS.

Will Be Third of Name to Hold This Post in Last 25 Years.

ST. AUGUSTINE, Fla., Feb. 26.—Announcement was made by President-elect Harding to-day that he had selected Edwin Denby of Detroit for Secretary of the Navy, and Theodore Roosevelt, son of the former President, for Assistant Secretary. Both have accepted.

"It was my very earnest wish in recognition of a certain sentiment and because of his ability to appoint Col. Theodore Roosevelt Jr. as Assistant Secretary of the Navy," Mr. Harding said. "Mr. Denby has gladly consented to that."

Mr. Denby called on the President-elect before announcement of his appointment was made.

The appointment of Col. Theodore Roosevelt to be Assistant Secretary of the Navy in the Harding Cabinet was a surprise to leading Republicans of New York, although mention of his name for the post had come at times from St. Augustine in the last week. It is considered to political circles that this appointment, while made in recognition of Col. Roosevelt's services in the army and his services to his party in the last campaign, is also a recognition of the American Legion, of which he was one of the founders.

Col. Roosevelt will be the third of his name to occupy the position of Assistant Secretary of the Navy within a quarter of a century. The first was his distinguished father, who served in the McKinley administration and resigned to go to Cuba with the Rough Riders. The second was Franklin D. Roosevelt, a kinsman, in the Wilson Cabinet.

It is interesting to note that the father of Col. Roosevelt began his public career in the Assembly where the young Colonel is now serving his second term. Before going into the Navy Department the late President Roosevelt served as Federal Civil Service Commissioner and Police Commissioner of New York City.

Col. Roosevelt is thirty-four years old. He enlisted in the Regular Army at the outbreak of the war and served as a Major in the 26th Infantry, First Division, until Sept. 2, 1918, when he was made Lieutenant Colonel. He is entitled to wear a wound stripe, the Distinguished Service Cross and the insignia of the Legion of Honor and the Croix de Guerre.

### LINER WITH 2,000 ABOARD HITS BERG

Drifted Helpless Seven Hours, but Finally Is Brought Under Control.

BOSTON, Feb. 26.—The transatlantic liner Princess Matilda, with 2,000 passengers from Genoa and Naples struck an iceberg off Cape Race, N. F., Thursday night, was rendered helpless by damage to the steering gear, but after drifting for seven hours was brought under control. Radiograms containing these advices were received to-day at this port. The Princess Matilda had been previously ordered diverted here for anti-typus examination.

The United States Mail Steamship Company reported to-day that it had a message from Capt. Lowry of the former transport Princess Matilda early to-day through Cape Race wire station as follows: "Hit submerged obstruction with today. Examination shows no damage done. Proceeding to Boston."

### CREDIT OF \$1,000,000,000 TO GERMANS IS REPORTED APPROVED BY HARDING

President-Elect Said to Favor Use of Seized Securities as the Basis of Financing It—Must Have Sanction of Congress.

By David Lawrence

(Special Correspondent of The Evening World.) WASHINGTON, Feb. 26 (Copyright, 1921).—President-elect Harding has given his tentative approval to what may amount to a billion dollar credit to Germany and thus enable the people of Central Europe to buy American goods and products of which they are in serious need.

The plan, as outlined by Mr. Harding by New York bankers, contemplates the use of the securities held in the United States by the Alien Property Custodian in behalf of German citizens. This is estimated to amount to at least \$400,000,000, because the remainder of what the Alien Property Custodian has really belongs to citizens of Austria, Poland and Czechoslovakia, and under an amendment to the Trading With the Enemy Act passed by Congress the property of these citizens must be returned to them when they claim it.

It is possible, of course, with \$400,000,000 placed as assets in a single corporation, to raise other funds for credit purposes either through Americans or Germans interested in the financing of a huge export project of this kind, but inquiry here discloses the fact that if the proponents of the idea had the notion that a billion dollars of securities were available for the German credit, such is not the case.

Broadly speaking, the approval of Mr. Harding of the plan does not altogether assure its adoption, for an act of Congress will be required before the Alien Property Custodian can release any of the securities or property which it now holds. All the cash belonging to Germany is in the United States Treasury and by law cannot be invested in anything else but Liberty Bonds.

The plan, moreover, would require an agreement whereby the owners of the property would permit the Berlin Government to use the securities in the United States as a basis of credit and would renounce all claims against the American Government in connection with the new enterprise.

It cannot be said that banking opinion is altogether unanimous as to the wisdom of the scheme, for some authorities claim it would be wiser to turn back the \$400,000,000 to the owners and let the Germans do with it as they please, the theory being that the Germans will perhaps find the most effective way to invest their own securities so that trade will be revived. There is also the suggestion that if the German owners get their assets back they may be in a position to borrow funds wherewith to pay American firms to whom they already owe large sums of money, and stimulate trade that way before engaging in new purchases.

While American merchants are eager for foreign markets, they are obviously not anxious to sell to customers that cannot or will not pay. The whole question as to what shall be done with the German property in the United States can be settled alone by Congress. The office of the Alien Property Custodian is simply a huge trust company which has held the goods for disposition by Congress.

### GOVERNOR SIGNS ANTI-SCALPING BILL

Eliminates Theatre-Ticket Speculators on Streets and in Doorways.

ALBANY, Feb. 26.—Gov. Miller to-day signed the Walton bill to prohibit street speculation in tickets to theatres and other places of amusement.

This new law does not interfere with ticket brokers who have regularly established places of business, but is aimed at the speculators who operate on the sidewalks, in doorways and in corridors of office buildings.

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